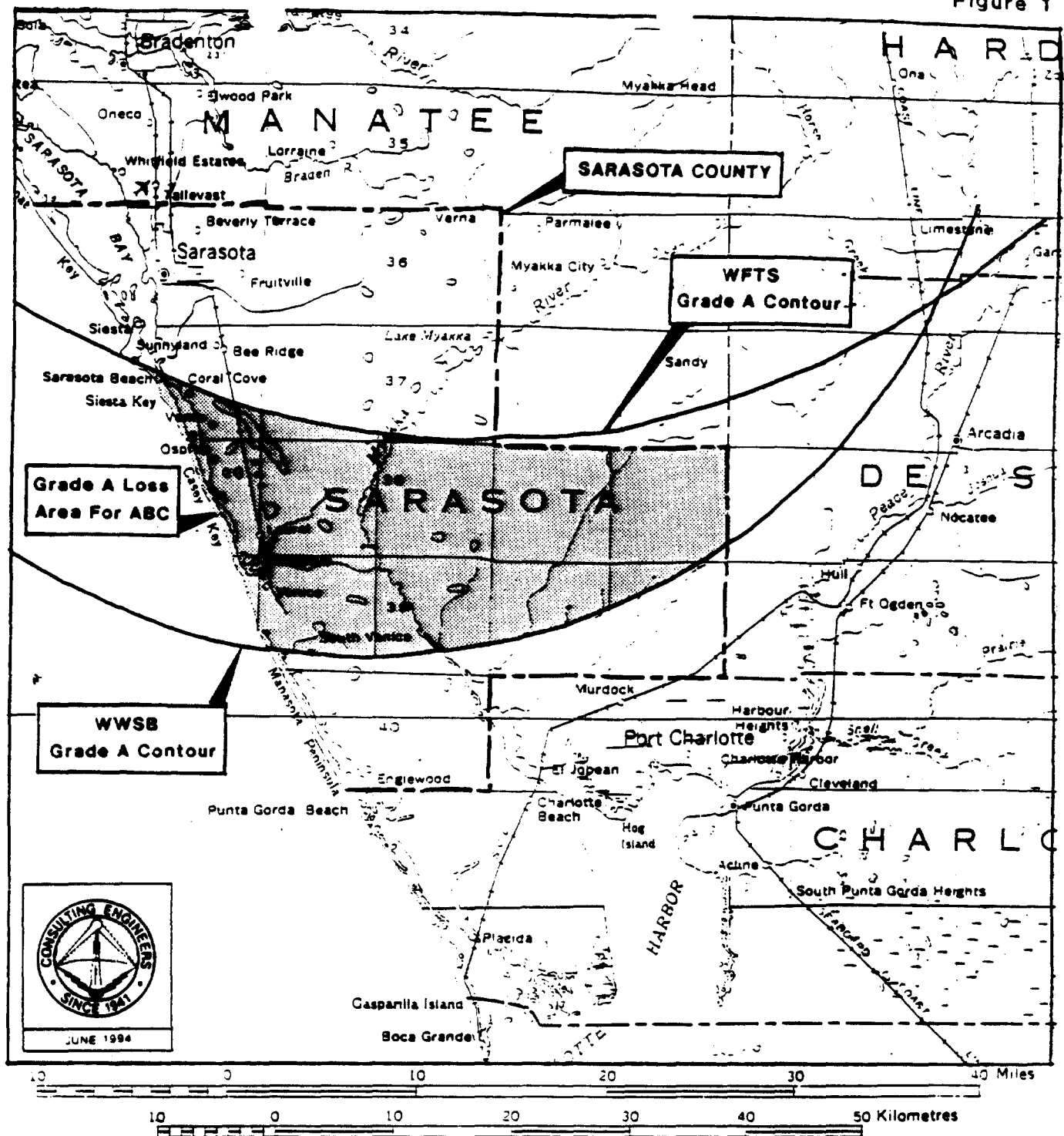


Figure 1

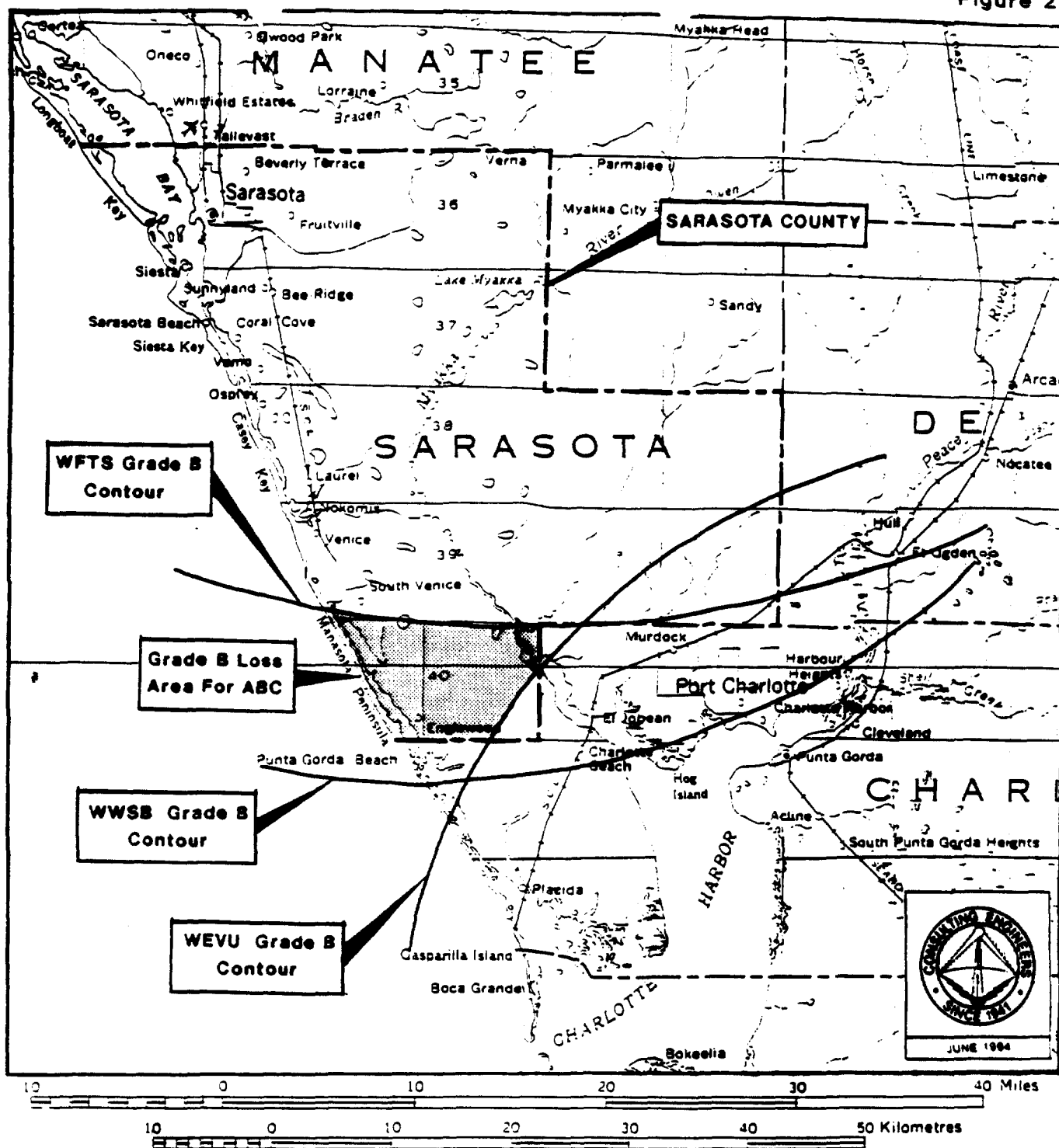


ABC GRADE A LOSS AREA

PREPARED FOR
WWSB SARASOTA, FL

du Treil, Lundin & Rackley, Inc. Sarasota, Florida

Figure 2



ABC GRADE B LOSS AREA

PREPARED FOR
WWSB SARASOTA, FL

du Treil, Lundin & Rackley, Inc. Sarasota, Florida

EXHIBIT 7

DECLARATION OF ARNOLD MARFOGLIA

Declaration

My name is Arnold Marfoglia. My address is 225 West 71 Street, New York, New York 10023.

From 1963 to 1993 I was employed by the American Broadcasting Company. Specifically, from 1970 through 1984 I was the Network's Director of Contract Administration and I was in charge of processing television affiliation contracts including the timely renewal of contracts and I was responsible to project and explain how the network compensation system worked for each affiliate. From 1984 to 1986 I was the Director of Financial Affairs. From 1986 to 1993 I was the Vice President of Affiliate Financial Affairs. In this capacity, I ran the Affiliation Review Committee meetings. I was also responsible for review and recommendations in all areas of financial issues concerning the network and its affiliates including, but not limited to, contract negotiations and evaluation of new affiliation and renewal of existing affiliation agreements.

In my various capacities in the ABC Television Network Affiliate Relations Department I was involved on a continuing and routine basis with the normal affiliate review process. Proposed affiliations were evaluated using engineering data, research and financial analysis. First, from an engineering perspective, ABC relied on the FCC's predicted Grade A and Grade B contours. To the best of my knowledge, ABC's engineers never relied upon or even used NTIA/ITS engineering models for affiliate decisions. Second, the quantitative analysis of raw coverage data provided by the engineers was never enough. Rather, the engineering numbers required evaluation by ABC's research department to do a qualitative analysis to determine the station's ability to deliver network audience. For instance, experience demonstrated that a station with a strong local presence and strong local news programs can deliver to the network substantial viewers for network programming including, but not limited to, network news and Nightline which airs after the 11:00 local news. In contrast,

historically a station without a strong local presence and/or without local news is at a severe disadvantage in being able to deliver the audience even though it may provide signal coverage to specific areas. It takes years for a station to develop a successful local news program. Some stations never succeed in this important task. In the normal network affiliate evaluation, the various departments including engineering, and research develop internal memorandums which ultimately are evaluated. A final agenda reviewing the data is prepared for the Affiliation Review Committee. The recommendations of the Committee are reduced to writing and forwarded to the President of the television network for approval.

During my tenure at ABC, affiliate evaluations were conducted pursuant to guidelines issued by the ABC Legal Department. The Legal Department's affiliation principles included the prohibition against downgrading affiliations in terms of coverage and network audience. In addition, each affiliation stood on its own to protect the Network from downgrading its audience in one market as a result of a multiple station owner's leverage using other markets. The Network would always consider moving to a VHF station from a UHF station, but never voluntarily considered moving from a VHF station to a UHF. Under no circumstances would the Network voluntarily move from a VHF station to a UHF station if it would lose circulation or potential audience.

The issue of affiliate duplication of coverage is not a new issue for ABC or any of the other networks. In fact, there are numerous markets around the country that have specific and substantial overlap between affiliates. The ABC Television Network has affiliation agreements with several stations that have substantial overlap. These stations include:

- (a) Station WEWS, Cleveland, Ohio and Station WAKC, Akron, Ohio;
- (b) Station KGO-TV, San Francisco, California and Station KNTV, San Jose, California;

- (c) Station WCVB-TV, Boston, Massachusetts and Station WMUR-TV, Manchester, New Hampshire;
- (d) Station KCRG-TV, Cedar Rapids, Iowa and Station KDUB-TV, Dubuque, Iowa;
- (e) Station WOAY-TV, Oak Hill, West Virginia and Station WCHS-TV, Charlestown, West Virginia;
- (f) Station WMGC-TV, Binghamton, New York and Station WENY-TV, Elmira, New York;
- (g) Station KQTV, St. Joseph, Missouri and Station KMBC-TV, Kansas City, Missouri; and
- (h) Station WGGB-TV, Springfield, Massachusetts and Station WTNH-TV, New Haven, Connecticut.

In fact, when you look at the Akron situation, the Grade B contour of the ABC affiliate in Akron is almost entirely within the Grade B contour of ABC's affiliate in Cleveland.

During my tenure at ABC, I was involved in many discussions regarding affiliate duplication of service areas. The duplication itself was never a cost problem since the network could adjust for any cost that may be incurred by lowering or eliminating compensation. Any other cost associated with network service was insignificant and never played a role in network affiliation decisions. Since the advent of satellite delivery of network programs, the cost of delivering programs to an additional affiliate is negligible and the extra administration costs of maintaining overlapping affiliations are of no consideration. Furthermore, duplication of coverage area, in fact, has potential benefits to the network. Specifically, duplication tends to increase network audience since the viewer has two choices of which station to watch the network on and therefore, the viewer can make a determination

based on the general reputation of the local station, local news and other syndicated programming the station may carry. Thus, duplication historically has not been a detriment to the network, since the network receives credit for viewers on both stations. The Network provides compensation as a direct incentive to an affiliate to carry its network programming and support the network in general.

I have reviewed the following pleadings of Southern Broadcast Corporation of Sarasota, ABC, and Scripps: (a) Formal Petition for Order to Show Cause filed by Southern Broadcast Corporation of Sarasota on July 7, 1994; (b) Response to Formal Petition to Show Cause filed by American Broadcasting Companies, Inc. on July 25, 1994; (c) Opposition to Formal Petition for Order to Show Cause filed by Scripps Howard Broadcasting Company on July 25, 1994. None of the filings contain the internal documents generated by ABC reflecting its normal affiliate review with respect to WWSB. However, the following observations can clearly be made based upon my years of experience with ABC.

1. ABC has entered into a master affiliation agreement that links long term affiliation arrangements in five separate television markets, Detroit, Cleveland, Baltimore, Phoenix, and Tampa. This is a significant departure from past network practices. When I was at ABC, each market's affiliation stood on its own to protect the Network from downgrading its coverage in one market as a result of a multiple station owner's leverage using other markets.

2. With respect to the disaffiliation of WTSP and WWSB, ABC clearly violated past practices by losing coverage and network audience. This loss of existing coverage is clearly a significant and substantial departure from ABC's past practices.

3. SBC's reliance on net weekly circulation in evaluating WFTS's and WWSB's performance is valid. Since the required viewing for inclusion in net weekly circulation is so minimal,

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Page No. 3000000411 P. 06

it is a good measure to determine a station's ability to reach or to deliver audience to the Network. The net weekly circulation figures are a measure of how many television households tune into a station for at least five (5) minutes per week. During my tenure at ABC, the ABC Research Department considered the net weekly circulation as one indication of a station's performance.

4. The net weekly circulation figures in Exhibit J of SBC's Petition clearly demonstrate the degree that ABC Television Network has downgraded its affiliation in the Tampa-St. Petersburg and Sarasota markets. ABC's decisions to affiliate with WFTS and disaffiliate WTSP and WWSB will result in a diminution of the network's viewership. This decision could never have been made if factors in the Tampa-St. Petersburg and Sarasota markets were the exclusive basis of ABC's affiliation actions.

5. Even if ABC had a market specific reason to disaffiliate Station WTSP, St. Petersburg and affiliate with Station WFTS, Tampa, the disaffiliation of Station WWSB in Sarasota remains unprecedented. The market data in Exhibit J of the Petition demonstrates Station WFTS' inferior performance in Sarasota County. Station WFTS actually has a smaller net weekly circulation in Sarasota County than Station WTSP and, according to ABC, it was Station WTSP's relatively poor coverage of Sarasota County that caused ABC to affiliate with Station WWSB in the first place. ABC would have been in a far better position, from a network perspective, to retain Station WWSB's affiliation regardless of its decision to change affiliations from WTSP to WFTS.

6. In affiliating with Station WFTS, Channel 28, Tampa and disaffiliating with Station WTSP, Channel 10, St. Petersburg and Station WWSB, Channel 40, Sarasota, ABC lost the lead in audience generated by the strong local news programs in both stations. In contrast, Station WFTS has no significant local news presence. Therefore, contrary to past ABC network practices, ABC

Network would clearly benefit from such duplication. The disparity that existed in WWSB's favor when it competed for audience with WTSP network viewers would be even greater when you consider that WTSP had a news presence that existed for years and WFTS has no news presence and it will take years to develop one competitively, if ever. Thus, in the short term, the advantage of retaining WWSB to ABC Network would be overwhelming. Even in the long term if WFTS develops a competitive news programming and presence, the combined viewership of WFTS and WWSB would continue to benefit ABC Network. In contrast, by only having WFTS as an affiliate, ABC Network stands to lose substantial viewership in Sarasota County, short term and long term.

8. The fact that WWSB is not referred to in the Master Agreement or the WFTS Affiliation Agreement is meaningless. Neither is WTSP in Tampa and KTVK in Phoenix and both lost their affiliations as a result of the switch of affiliation to the respective Scripps Howard television stations.

9. ABC's Response to the Petition contains a declaration from Robert A. Iger to the effect that WWSB lost its affiliation because of ABC's concern that overlap between WWSB and WFTS "could have the effect of undermining the financial strength of WFTS and its ability and incentive to support the network." This statement ignores several significant facts.

First, the financial strength of WFTS is beyond doubt because it is owned by Scripps Howard, a large media conglomerate. Second, ABC has for years, as previously stated, affiliated with television stations that have significant overlap and no ABC station, to my knowledge, has ceased broadcasting due to coverage overlap. Third, Mr. Iger fails to consider network compensation which is the primary and direct incentive affiliates have to carry network programs and to support the network.

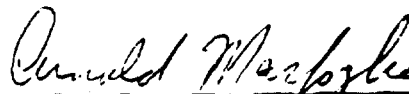
10. It is also interesting to focus on the shift of affiliations in Phoenix. Clearly this switch

was not driven by any local factors and again there is substantial deviation from past network practices. The best evidence of this variation is not only the shift from a VHF station to a UHF station, but this VHF station is the number one station in the market and has substantial coverage of almost the entire state while the UHF station coverage is clearly inferior.

11. The question remains, however, did Scripps Howard enter into this master affiliation agreement with an agreement or understanding, express or implied, that ABC would disaffiliate Stations KTVK, WTSP and WWSB? Witnesses for Southern Broadcast Corporation of Sarasota have attributed to ABC officials statements to the effect that WWSB's disaffiliation was required by the Scripps Howard deal. In my opinion, those statements reflected the Network's understanding and motivation that to finalize the Scripps Howard master affiliation, WWSB's affiliation would have to be terminated.

12. Further, in my opinion after twenty three years of experience with ABC's network affiliation evaluation process, the driving force behind ABC's otherwise unprecedented affiliation decisions in Phoenix, St. Petersburg and Sarasota was ABC's need to retain Scripps Howard's VHF affiliates in Detroit and Cleveland. ABC essentially traded to Scripps Howard the affiliations held by KTVK, WTSP, and WWSB in exchange for long term affiliation agreement with Scripps Detroit and Cleveland VHF stations. The Phoenix and Tampa affiliations with Scripps Howard would never have occurred without linkage to network affiliations in Detroit and Cleveland.

I declare under penalty of perjury that the matters stated above are true.



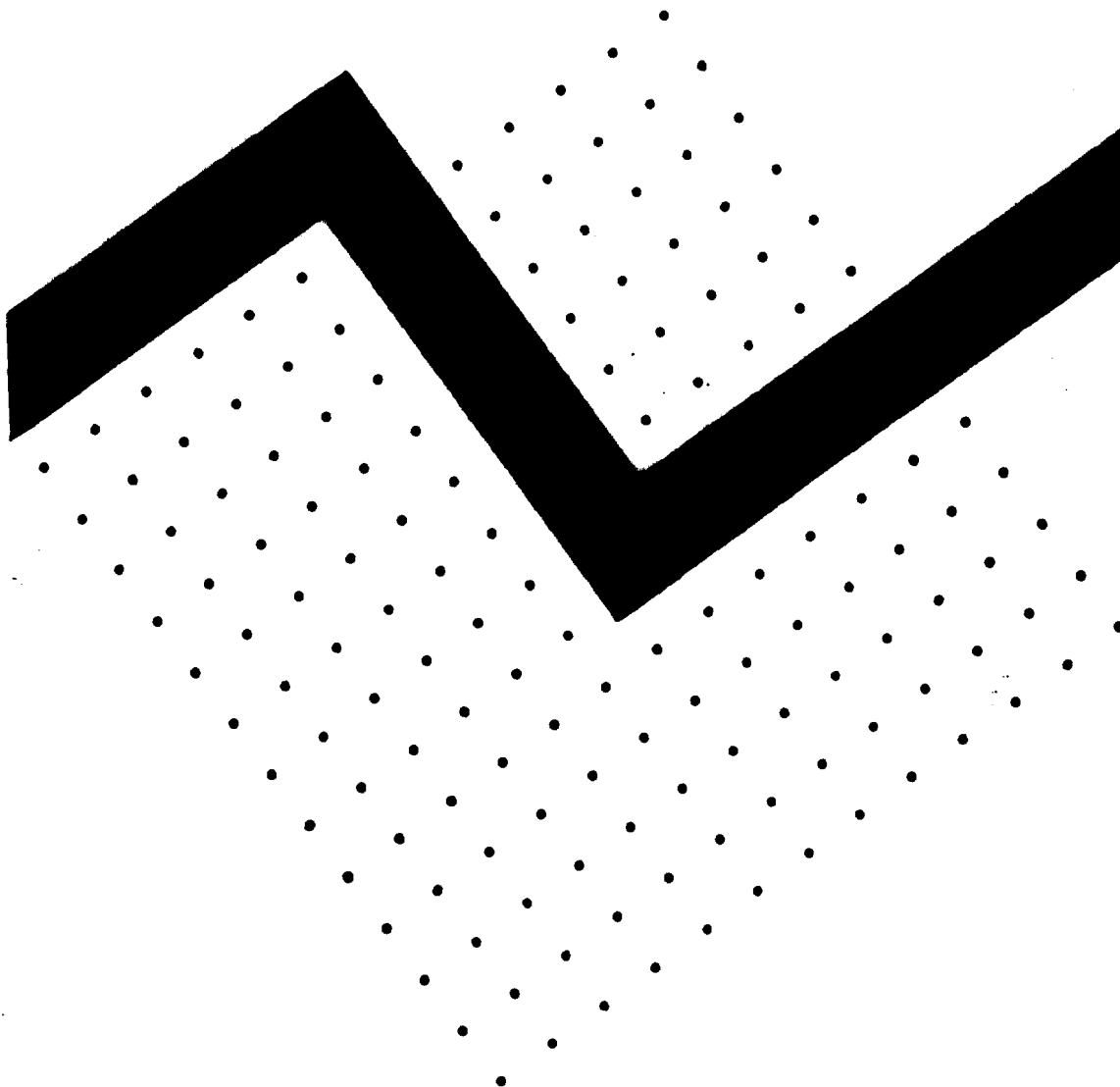
Arnold Marfoglia

Tampa-
St. Petersburg, FL.
Metered Market Service

May 19

SPECIAL ETHNIC TREATMENT USED IN THIS MARKET
(See Page 3)

Nielsen Station Index



Viewers in Profile

Nielsen



Accredited by
Electronic Media
Rating Council

W .128-6/04 WK2 5/06-5/11 WK3 5/12-5/18 WK4 5/19-5/25

Nielsen has been advised that a station(s) conducted a special promotional activity. See 1. 3.

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Special Report
Sarasota, FL

Nielsen Station Index

Nielsen

May 1994

			MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY 2:00PM - 6:30PM										MONDAY-FRIDAY
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EXHIBIT 8

DECLARATION OF WILLIAM MILLER

DECLARATION OF WILLIAM MILLER

WILLIAM MILLER declares, under penalty of perjury, as follows:

1. I am the Vice President, General Manager, and Chief Operating Officer of Media America Corp. ("MAC"), licensee of KTVK(TV), Phoenix Arizona. I am also a Director of MAC. I have been employed in television in Phoenix for more than 30 years. I joined KTVK(TV) in 1986, and I have been Vice President and Chief Operating Officer since 1988.

2. KTVK operates on Channel 3 with an effective radiated power (visual) of 100 kilowatts and antenna height above average terrain of 1,778 feet. The station has been on the air since February 28, 1955.

3. MAC is an Arizona-based company, owned and operated by the same family that put KTVK on the air almost 40 years ago. MAC's Chairman of the Board is Jewell McFarland Lewis, the daughter of the late Governor of Arizona (and United States Senator) Ernest W. McFarland, the station's founder. Her husband, Delbert R. Lewis, is MAC's President and Chief Executive Officer.

4. KTVK has been an affiliate of the ABC Television Network since before it signed on almost 40 years ago. Our current affiliation agreement is dated April 4 1991. On July 7, 1994, we were formally notified by ABC that our ABC affiliation

would be terminated effective January 9, 1995. (Attachment A.) Termination on six-months' notice is permitted by Section VI of the network contract. This formal notification of the cancellation of our 40-year relationship with ABC was preceded by oral notification in a telephone call on the afternoon of June 15, 1994, from Robert A. Iger, Executive Vice President of Capital Cities/ABC, Inc., and President of the ABC Television Network Group. Del Lewis and I took that call on a speakerphone in my office. Mr. Iger told us that he was sorry to be the bearer of such bad news but that ABC "had to" switch its affiliation in Phoenix from our station to KNXV-TV, Channel 15, which is owned by Scripps Howard Broadcasting Co. He added that "we [ABC] also had to" give Scripps Howard the ABC affiliation in Tampa and in another market that he could not reveal because the station owners had not yet been advised.

5. About an hour and a half later we were called by Thomas Murphy, Chairman of the Board of Capital Cities/ABC. Del Lewis and I took that call on the speakerphone in Del's office. Tom Murphy said that he was "so sorry" but that Scripps Howard just drove too hard a bargain and "forced" him to give up Phoenix. He said that ABC was also "forced" to give up Tampa. I asked him about the other market that Bob Iger had mentioned. He said it was Baltimore.

6. The June 15, 1994, calls were the culmination of a series of telephone calls and meetings between us and ABC

executives that began several weeks earlier. In those earlier calls and meetings, ABC's executives, including Tom Murphy and Bob Iger, told us that Scripps Howard was demanding that ABC switch its affiliation in Phoenix from our station, KTVK, to Scripps Howard's KNXV-TV. Tom Murphy and Bob Iger also told us that Scripps Howard was demanding that ABC switch its affiliation in Tampa to the station that Scripps Howard owns in that market. Tom Murphy and Bob Iger made it clear that Scripps Howard was demanding affiliations in Phoenix and Tampa as the price of continuing to affiliate with ABC in Detroit and Cleveland. They told us that Scripps Howard said it would drop ABC in Detroit and Cleveland and switch to CBS in those important markets unless ABC switched its affiliations in Phoenix and Tampa to the Scripps Howard stations in those markets.

7. The events that led up to the termination of our ABC affiliation began in mid-May when Del Lewis and I received a call from Bob Iger and George Newi, the Executive Vice President, Affiliate Relations, for the ABC Television Network. They called to discuss a letter I had sent to George in which I had proposed an increase in our network compensation. (Attachment B.) Bob Iger said that he had read the letter and agreed that KTVK should receive a new rate. He said that ABC would like to propose a new five-year contract with a significant increase in compensation. He said that George Newi could call us back soon with the details.

8. Earlier in that conversation, before we got to the discussion about a rate increase and a new contract for KTVK, Bob and George asked what we thought about the news concerning New World. This was a reference to the recent announcement by New World Communications Group, owner of eight television stations, that it would acquire four new stations and that its stations would all be affiliated with the Fox network. This meant, among other things, that CBS would be losing its existing affiliations in several markets where New World owned (or was acquiring) stations affiliated with CBS. These markets included Detroit, Cleveland, Tampa, Atlanta, and Phoenix. CBS would be looking for new affiliations in those markets.

9. Del and I told Bob Iger and George Newi that we had been surprised by the New World announcement. Bob asked us what we thought would happen now. I said that I thought CBS would approach other strong stations in the markets where it was losing affiliates. I speculated that CBS might talk to Gannett because it owns the NBC affiliates in Phoenix and Atlanta, two of the markets where CBS would need new affiliates. Bob said he had talked with Gannett and that Gannett was not interested in switching networks.

10. The conversation then moved to KTVK's contract with ABC and Bob Iger's assurance to Del Lewis and me that George Newi would soon get back to us with details of a new five-year contract with a significant increase in compensation. Bob Iger

then asked us if "anyone else" (which I took to mean "any other network") had talked to us. I said no. Bob then said he hoped we would talk to ABC if we heard from anyone else, and we assured him that of course we would. In giving that assurance, Del Lewis referred to our long-standing 40-year relationship with ABC.

11. On May 26, 1994, George Newi and Bob Iger called me. Bob referred to the letter in which I had proposed an increase in network compensation and said that I was correct in my assessment of the situation regarding KTVK's network rate. He asked George to give me ABC's proposal for a new affiliation contract. George said that ABC would offer us a new hourly rate of \$2,250, up from \$1,075. George and Bob said they would want a new network affiliation agreement with a five-year term. I asked whether the five years would apply to both parties. They answered that it would be five years for both KTVK and ABC. I asked if they were suggesting any other changes in the contract. They said no. I told them I would take it to our Board and get back to them as soon as possible. Bob Iger asked that I get back in touch with George Newi since he (Iger) would be out of town for a while. I told them that we valued our affiliation with ABC and that I would get back to them soon.

12. The next day, May 27, 1994, after reflecting on this conversation, I realized that what Bob Iger and George Newi were offering was less than ABC's compensation to stations much

smaller than ours. We had scheduled a MAC Board meeting for that afternoon to consider ABC's proposal, and I placed a call to George Newi so that I could talk to him before the meeting. I could not reach him, apparently because of the upcoming Memorial Day weekend, so we canceled our Board meeting.

13. On Tuesday, May 31, 1994, George returned my call. I told him that I was troubled that smaller stations were receiving a higher rate than the \$2,250 he had offered to us. I asked George if, before I went to our Board, he would consider doing anything to help me on the dollars. I asked what he would think of \$2,600 per hour, with a \$100 per hour increase in each year of the remaining four years of the contract. George said that such a deal would require an OK from his bosses and that he could not talk with either Bob Iger or Tom Murphy until that night. I said that I would defer our Board meeting until he called.

14. George Newi called me back later that day, May 31, and said, "Our lawyers have instructed us to take our offer off the table." That sounded crazy to me and I told him so. I reminded him that I had not rejected ABC's offer and that all I had asked was that he consider helping me with the dollars before I went to MAC's Board. I said, "Please, George, don't do this. It is the wrong time for this kind of thing." George said, "Well, let's just leave it this way."

15. I decided that I must talk to George Newi's superior, Bob Iger, who was on vacation. My secretary spoke to Iger's secretary and then received a call back from Alex Wallau, Senior Vice President of the ABC Television Network Group, who said that he could reach Iger in Maine and would have Iger call me.

16. Bob Iger called me. I told him what George Newi had said to me earlier in the day, including "Our lawyers have instructed us to take our offer off the table." Bob Iger corrected me and said that the instructions had actually come from Tom Murphy. I asked what was going on. Bob said that Scripps Howard had told ABC that they were considering moving their affiliations in Detroit and Cleveland to CBS unless ABC gave them a better deal and that Tom Murphy wanted all his chips on the table if he needed them. I asked him to explain that. He said that Scripps Howard wanted the ABC affiliation in Phoenix and would switch to CBS in Detroit and Cleveland unless they got Phoenix.

17. I knew, of course, that CBS was about to lose its existing affiliations in Detroit and Cleveland. The CBS affiliates in those markets were owned by SCI Television, Inc., and SCI had sold those stations to New World, which had announced that it was switching all of its affiliations to Fox. I understood, therefore, why CBS was attempting to persuade Scripps Howard to switch its affiliations in Detroit and Cleveland from ABC to CBS. Each of those important markets has

only three VHF stations. ABC, CBS and NBC had VHF affiliates in each of those markets. If CBS was to continue to have a VHF affiliate in Detroit and Cleveland, it would have to persuade either the ABC or the NBC affiliate in those markets to switch to CBS. Scripps Howard owned stations in both Detroit and Cleveland. What Iger was telling me was that CBS had decided that its best chance for retaining a VHF affiliate in Detroit and Cleveland was to persuade Scripps Howard to switch from ABC to CBS. It was clear to me that Scripps Howard was in a strong bargaining position; it was being wooed by both ABC and CBS.

18. Bob Iger told me in this conversation that he had played "hardball" with Scripps Howard and told them that Phoenix was not on the table. He said that he really believed Scripps Howard was bluffing. He said, "I can't believe that they [Scripps Howard] would switch those very successful stations [the Scripps Howard stations in Detroit and Cleveland] from ABC to CBS." He said, "Would you?" I said surely not.

19. Bob then asked what I knew about the program plans that Scripps Howard had for its Phoenix station. He said, "Whatever they were planning at their Phoenix station is evidently really important to them and they want to have the Phoenix affiliation." I told him that KNXV-TV, Scripps Howard's Phoenix station, was planning to start an alternative kind of newscast starting in July. Bob said, "Well they really want Phoenix." He said Tom Murphy was very concerned and that